

HOUSE BILL 1053

M1, M3, M4

11r0163
CF SB 847

By: **The Speaker (By Request – Administration)**

Introduced and read first time: February 11, 2011

Assigned to: Environmental Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 23, 2011

CHAPTER _____

1 AN ACT concerning

2 **Natural Resources – Aquaculture**

3 FOR the purpose of altering the State agency that is responsible for the employment of
4 the State’s Aquaculture Coordinator; clarifying certain roles of certain agencies
5 in the development of an aquaculture industry in the State; transferring the
6 Seafood Marketing and Aquaculture Development Program, the Division of
7 Market Development, the Seafood Marketing Fund, the Seafood Program
8 Management Team, the Innovative Seafood Technologies Program, the Seafood
9 Marketing Advisory Commission, the Aquaculture Coordinating Council, and
10 the Aquaculture Review Board from the Department of Agriculture to the
11 Department of Natural Resources; altering the membership of the Aquaculture
12 Review Board; authorizing the Department of Natural Resources to issue water
13 column leases under certain circumstances; exempting aquaculture activities in
14 certain leases from a certain wetlands license requirement; altering certain
15 provisions relating to the issuance of submerged land leases; authorizing the
16 Department of Natural Resources to issue water column leases only in waters
17 that have been classified in a certain way by the Department of the
18 Environment; prohibiting water column leases in certain areas; limiting the
19 manner in which shellfish may be cultivated from a water column lease;
20 requiring the Department of Natural Resources to notify certain persons of
21 lease applications under certain circumstances; providing for the continuity of
22 certain licenses, leases, certifications, and permits; providing that certain
23 leaseholders, license holders, permittees, and certified persons shall continue to
24 be valid leaseholders, license holders, permittees, and certified persons, and
25 shall comply with certain requirements; requiring that certain pending

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 applications be transferred to the Department of Natural Resources; requiring
 2 the publisher of the Annotated Code of Maryland, in consultation with, and
 3 subject to the approval of, the Department of Legislative Services, to correct
 4 certain cross-references and terminology; defining certain terms; altering
 5 certain definitions; making technical corrections; and generally relating to
 6 aquaculture in the State.

7 BY renumbering

8 Article – Natural Resources

9 Section 4-11A-08 through ~~4-11A-19~~ 4-11A-22, respectively

10 to be Section 4-11A-09 through ~~4-11A-20~~ 4-11A-23, respectively

11 Annotated Code of Maryland

12 (2005 Replacement Volume and 2010 Supplement)

13 BY repealing

14 Article – Agriculture

15 Section 10-1301 and 10-1302

16 Annotated Code of Maryland

17 (2007 Replacement Volume and 2010 Supplement)

18 BY transferring

19 Article – Agriculture

20 Section 10-1001 and 10-1002 and the subtitle “Subtitle 10. Seafood Marketing
 21 and Aquaculture Development Program and Division of Market
 22 Development”; 10-10A-01 and the subtitle “Subtitle 10A. Seafood
 23 Program Management Team”; 10-10B-01 and the subtitle “Subtitle 10B.
 24 Innovative Seafood Technologies Program”; 10-1101 and the subtitle
 25 “Subtitle 11. Seafood Marketing Advisory Commission”; and 10-1303,
 26 respectively

27 Annotated Code of Maryland

28 (2007 Replacement Volume and 2010 Supplement)

29 to be

30 Article – Natural Resources

31 Section 4-11B-01 and 4-11B-02 and the subtitle “Subtitle 11B. Seafood
 32 Marketing and Aquaculture Development Program and Division of
 33 Market Development”; 4-11C-01 and the subtitle “Subtitle 11C. Seafood
 34 Program Management Team”; 4-11D-01 and the subtitle “Subtitle 11D.
 35 Innovative Seafood Technologies Program”; 4-11E-01 and the subtitle
 36 “Subtitle 11E. Seafood Marketing Advisory Commission”; and
 37 4-11A-03.2, respectively

38 Annotated Code of Maryland

39 (2005 Replacement Volume and 2010 Supplement)

40 BY repealing and reenacting, with amendments,

41 Article – Agriculture

42 Section ~~10-1301 and 10-1302~~ 2-106(a)

43 Annotated Code of Maryland

1 (2007 Replacement Volume and 2010 Supplement)

2 BY repealing and reenacting, with amendments,
3 Article – Environment
4 Section 16–107 and 16–202(h)
5 Annotated Code of Maryland
6 (2007 Replacement Volume and 2010 Supplement)

7 BY repealing and reenacting, without amendments,
8 Article – Environment
9 Section 16–202(a) and (b)
10 Annotated Code of Maryland
11 (2007 Replacement Volume and 2010 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Natural Resources
14 Section 4–701(e)(3), 4–1103(d), 4–11A–01(m), 4–11A–02(a), 4–11A–06(b), and
15 4–11A–07(b)
16 Annotated Code of Maryland
17 (2005 Replacement Volume and 2010 Supplement)

18 BY repealing and reenacting, without amendments,
19 Article – Natural Resources
20 Section 4–701(a) and (b) and 4–11A–01(d), (g), (n), and (q)
21 Annotated Code of Maryland
22 (2005 Replacement Volume and 2010 Supplement)

23 BY adding to
24 Article – Natural Resources
25 Section 4–11A–01(r), 4–11A–03, 4–11A–03.1, and 4–11A–08
26 Annotated Code of Maryland
27 (2005 Replacement Volume and 2010 Supplement)

28 BY repealing and reenacting, with amendments,
29 Article – Natural Resources
30 Section 4–11A–09 and 4–11A–10(e)
31 Annotated Code of Maryland
32 (2005 Replacement Volume and 2010 Supplement)
33 (As enacted by Section 1 of this Act)

34 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
35 MARYLAND, That Section(s) 4–11A–08 through ~~4–11A–19~~ 4–11A–22, respectively, of
36 Article – Natural Resources of the Annotated Code of Maryland be renumbered to be
37 Section(s) 4–11A–09 through ~~4–11A–20~~ 4–11A–23, respectively.

38 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 10–1001 and
39 10–1002 and the subtitle “Subtitle 10. Seafood Marketing and Aquaculture

1 Development Program and Division of Market Development"; 10-10A-01 and the
 2 subtitle "Subtitle 10A. Seafood Program Management Team"; 10-10B-01 and the
 3 subtitle "Subtitle 10B. Innovative Seafood Technologies Program"; 10-1101 and the
 4 subtitle "Subtitle 11. Seafood Marketing Advisory Commission"; and 10-1303,
 5 respectively, of Article – Agriculture of the Annotated Code of Maryland be transferred
 6 to be Section(s) 4-11B-01 and 4-11B-02 and the subtitle "Subtitle 11B. Seafood
 7 Marketing and Aquaculture Development Program and Division of Market
 8 Development"; 4-11C-01 and the subtitle "Subtitle 11C. Seafood Program
 9 Management Team"; 4-11D-01 and the subtitle "Subtitle 11D. Innovative Seafood
 10 Technologies Program"; 4-11E-01 and the subtitle "Subtitle 11E. Seafood Marketing
 11 Advisory Commission"; and 4-11A-03.2, respectively, of Article – Natural Resources of
 12 the Annotated Code of Maryland.

13 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 14 read as follows:

15 Article – Agriculture

16 2-106.

17 (a) The following positions and units are included within the Department:

18 (1) The Maryland Agricultural Fair Board;

19 (2) The Chief of Weights and Measures;

20 (3) The State Chemist;

21 (4) The State Veterinarian;

22 (5) The State Board of Veterinary Medical Examiners;

23 (6) The State Soil Conservation Committee;

24 (7) The Board of Review of the Department of Agriculture;

25 (8) The Maryland Agricultural Commission;

26 (9) The Maryland Horse Industry Board;

27 [(10) The Seafood Marketing and Aquaculture Development Program
 28 and Division of Market Development;

29 (11) The Seafood Marketing Advisory Commission;]

30 [(12)] (10) The Maryland Winery and Grape Growers' Advisory Board];

1 (13) The Aquaculture Review Board; and

2 (14) The Aquaculture Coordinating Council].

3 ~~10-1301.~~

4 ~~(a) (1) The General Assembly defines aquaculture as an agricultural AND~~
5 ~~FISHERIES MANAGEMENT activity.~~

6 ~~(2) "Aquaculture" includes the commercial rearing of finfish, shellfish,~~
7 ~~and aquatic plants for sale, trade, barter, or shipment.~~

8 ~~(b) It is the intent of the General Assembly to create:~~

9 ~~(1) An Aquaculture Review Board and an Aquaculture Coordinating~~
10 ~~Council to promote the development of an aquaculture industry in this State; and~~

11 ~~(2) An Aquaculture Coordinator, EMPLOYED BY THE DEPARTMENT~~
12 ~~OF NATURAL RESOURCES, to assist persons in obtaining the permits and licenses~~
13 ~~necessary to conduct aquaculture in the State.~~

14 ~~(c) The Maryland Department of Agriculture is the lead agency for[:~~

15 ~~(1) Promoting, coordinating,] PROMOTING and marketing~~
16 ~~aquaculture and aquaculture products]; and~~

17 ~~(2) Coordinating and streamlining the process of applying for a State~~
18 ~~aquaculture permit].~~

19 ~~(d) The Department of Natural Resources is responsible for [enforcement]:~~

20 ~~(1) ENFORCEMENT of laws, regulations, and rules; AND~~

21 ~~(2) COORDINATING AND STREAMLINING THE PROCESS OF~~
22 ~~APPLYING FOR A STATE AQUACULTURE PERMIT.~~

23 ~~(e) The University of Maryland is the lead agency for research in~~
24 ~~aquaculture production and shall be responsible for development of education and~~
25 ~~extension programs which promote aquaculture as an industry.~~

26 ~~10-1302.~~

27 ~~(a) There is an Aquaculture Review Board.~~

28 ~~(b) (1) The Review Board shall consist of the following [5] members, each~~
29 ~~of whom shall represent one of the following State departments charged with~~

1 ~~responsibility for an aspect of the State aquaculture permitting process or oversight of~~
 2 ~~permit compliance;~~

3 ~~[(1)] (I) The Department of [Agriculture] NATURAL RESOURCES,~~
 4 ~~to be represented by the Aquaculture Coordinator, who shall serve as chair;~~

5 ~~[(2)] (II) 1 representative of the Department of the Environment,~~
 6 ~~designated by the Secretary of the Environment;~~

7 ~~[(3)] (III) 1 representative of the Department of Health and Mental~~
 8 ~~Hygiene, designated by the Secretary of Health and Mental Hygiene; AND~~

9 ~~[(4)] (IV) 1 representative of the Department of [Natural Resources]~~
 10 ~~AGRICULTURE, designated by the Secretary of [Natural Resources; and~~

11 ~~(5) 1 representative of the Board of Public Works] AGRICULTURE.~~

12 ~~(2) THE NATIONAL MARINE FISHERIES SERVICE SHALL BE~~
 13 ~~INVITED TO DESIGNATE A REPRESENTATIVE TO THE REVIEW BOARD.~~

14 ~~(3) THE UNITED STATES ARMY CORPS OF ENGINEERS SHALL BE~~
 15 ~~INVITED TO DESIGNATE A REPRESENTATIVE TO THE REVIEW BOARD.~~

16 ~~(c) (1) The Aquaculture Coordinator shall be the single point of contact~~
 17 ~~for an applicant for all permits and licenses necessary to conduct aquaculture in the~~
 18 ~~State.~~

19 ~~(2) The Review Board shall:~~

20 ~~(i) Coordinate the development of statewide aquaculture policy~~
 21 ~~and, to the maximum extent feasible, the streamlining of the application process;~~

22 ~~(ii) Track each application as it [progresses through each~~
 23 ~~department] IS PROCESSED; and~~

24 ~~(iii) Ensure full and meaningful departmental communication~~
 25 ~~with an applicant during each stage of the application process.~~

26 Article – Environment

27 16–107.

28 (a) (1) This section applies to a development project to expand a marina
 29 that historically operated as a working marina for the sole purpose of supporting
 30 aquaculture or seafood operations.

1 (2) This section does not apply to a development project to expand a
2 marina if the existing or expanded marina is used to allow a person to moor, dock, or
3 store recreational or pleasure vessels.

4 (b) (1) Except as provided in subsection (c) of this section, the Board may
5 issue a license under this title for a development project to expand a marina that is
6 located in an area where the water depth is less than 4 1/2 feet at mean low water and
7 on a waterway without strong flushing if the development project:

8 (i) Enhances aquaculture activities or seafood operations;

9 (ii) Is located in a marina or seafood operation at a marina
10 operated by a nonprofit organization to promote aquaculture activities or oyster
11 restoration in the State;

12 (iii) Does not adversely impact submerged aquatic vegetation;
13 and

14 (iv) Will further the policies of the State related to aquaculture.

15 (2) The license authorized under paragraph (1) of this subsection may
16 authorize dredging to improve navigational access to the marina or marina facility
17 operations.

18 (c) The Board may not issue a license under this title unless the applicant
19 for the license has obtained the following authorizations if required by local, State, or
20 federal law:

21 (1) Local planning or zoning authorization;

22 (2) An aquaculture lease;

23 (3) A water column lease [issued by the Board] or a submerged land
24 lease issued by the Department of Natural Resources; and

25 (4) A permit issued by the U.S. Army Corps of Engineers under § 404
26 of the federal Clean Water Act or under § 10 of the federal Rivers and Harbors Act.

27 16–202.

28 (a) A person may not dredge or fill on State wetlands without a license.

29 (b) To apply for a license, the applicant shall submit a delineation of the
30 affected tidal wetlands and all other information required by the Department.

31 (h) The provisions of this section do not apply to any operation for:

1 (1) Dredging and filling being conducted as of July 1, 1970, as
2 authorized under the terms of an appropriate permit or license granted under the
3 provisions of existing State and federal law;

4 (2) Dredging of seafood products by any licensed operator, harvesting
5 of seaweed, or mosquito control and abatement as approved by the Department of
6 Agriculture;

7 (3) Improvement of wildlife habitat or agricultural drainage ditches as
8 approved by an appropriate unit;

9 (4) Routine maintenance or repair of existing bulkheads, provided that
10 there is no addition or channelward encroachment; or

11 (5) Aquaculture activities occurring [in Aquaculture Enterprise Zones
12 established under Title 4, Subtitle 11A of the Natural Resources Article under an
13 aquaculture] **UNDER A** lease issued by the Department of Natural Resources **UNDER**
14 **TITLE 4, SUBTITLE 11A OF THE NATURAL RESOURCES ARTICLE.**

15 Article – Natural Resources

16 4-701.

17 (a) This section applies to any person who is required under Subtitle 2, 7, 8,
18 9, or 10 of this title to be licensed to guide fishing parties or to catch, sell, buy, process,
19 transport, export, or otherwise deal in fish caught in tidal waters.

20 (b) (1) The Department shall utilize a single, commercial license, to be
21 known and designated as a tidal fish license.

22 (2) A tidal fish license authorizes a licensee:

23 (i) To engage in each activity indicated on the license; and

24 (ii) For catching crabs, to utilize the number of crew members
25 indicated on the license.

26 (3) Except for a person receiving a license under subsection (i)(2)(ii) of
27 this section, the Department may not issue a tidal fish license to an individual who is
28 younger than 14 years of age.

29 (4) A person may not guide fishing parties or catch, sell, buy, process,
30 transport, export, or otherwise deal in fish caught in tidal waters unless licensed
31 under this section.

32 (e) (3) In addition to the normal license fees imposed under subsection
33 (d)(2)(ii)2 and 4 of this section, a licensee shall pay to the Department an annual

1 surcharge of \$10 to be credited to the Seafood Marketing Office of the Department [of
2 Agriculture] to fund seafood marketing programs which have been approved by the
3 Department.

4 4-1103.

5 (d) (1) In addition to the provisions of subsections (b) and (c) of this
6 section concerning the establishment of oyster seed areas and the sale of seed oysters
7 to a leaseholder, the Department may:

8 (i) Sell or remove seed oysters from oyster seed areas if the sale
9 or removal is made under disease protocols; and

10 (ii) Adopt regulations necessary to implement the provisions of
11 this subsection.

12 (2) The Department shall credit the proceeds of any sale of seed
13 oysters under this subsection to the Fisheries Research and Development Fund in the
14 Department.

15 (3) The Department shall:

16 (i) Sell, at prevailing market prices, seed oysters produced in
17 an aquaculture oyster seed area to a person who holds a valid [aquaculture or
18 submerged land] lease **ISSUED UNDER SUBTITLE 11A OF THIS TITLE**, or an
19 aquaculture permit to cultivate shellfish; and

20 (ii) Use any revenue derived from the sale of seed oysters to
21 reimburse the Fisheries Research and Development Fund for any expenditure needed
22 to create the aquaculture oyster seed areas under this subsection.

23 4-11A-01.

24 (d) “Aquaculture lease” means a lease of any submerged land or the water
25 column located in an Aquaculture Enterprise Zone for cultivating oysters or other
26 shellfish for commercial purposes.

27 (g) “Demonstration lease” means a lease of submerged land for the purpose
28 of demonstrating the ecological benefits of growing shellfish or for research or
29 education.

30 (m) “SAV Protection Zone” means an area of submerged aquatic vegetation
31 [with a density greater than 10%] as mapped in aerial surveys by the Virginia
32 Institute of Marine Sciences in 1 or more of the [3] 5 years preceding the designation
33 of an Aquaculture Enterprise Zone or an application for [an aquaculture, submerged
34 land, or demonstration lease] **A LEASE UNDER THIS SUBTITLE.**

1 (n) "Submerged land lease" means any land lying beneath the waters of the
2 State leased by the State to any person for cultivating oysters and other shellfish for
3 commercial purposes.

4 (q) "Water column lease" means a lease of the column of water on or under
5 the surface of the water and above the surface of the submerged land.

6 (R) "YATES BAR" MEANS ANY SUBMERGED OYSTER BAR, REEF, ROCK,
7 OR AREA REPRESENTED AS AN OYSTER BAR ON THE CHARTS OF THE OYSTER
8 SURVEY OF 1906 TO 1912, NOT INCLUDING ANY AMENDMENTS.

9 4-11A-02.

10 (a) (1) The Department shall promulgate by regulation requirements that
11 are necessary to ensure that aquaculture operations do not adversely impact wild
12 stocks of fish, including measures for identifying fish as products of an aquaculture
13 operation. In developing these regulations, the Department shall consult with the
14 Aquaculture Coordinating Council, established by ~~§ 10-1303 of the Agriculture Article~~
15 **§ 4-11A-03.2 OF THIS SUBTITLE**, and incorporate in the regulations public notice
16 provisions in accordance with [§ 4-11A-08] **§ 4-11A-09** of this subtitle.

17 (2) The Department may not issue a permit for the raising of
18 nonnative species, including hybrids of striped bass, or nonnative stocks unless:

19 (i) The permit limits the aquaculture operation to nontidal
20 ponds, lakes, or impoundments; and

21 (ii) The aquaculture operation is constructed in a manner that
22 assures that nonnative stocks are precluded from entering the tidal waters or
23 contaminating the native species of the State.

24 (3) The Department may not issue a permit for the raising of a
25 transgenic species or a genetically altered species, unless:

26 (i) The permit limits the aquaculture operation to waters of the
27 State that do not flow into any other body of water; and

28 (ii) The aquaculture operation is constructed in a manner that
29 assures that transgenic or genetically altered stocks are precluded from entering any
30 other waters or contaminating other aquatic species of the State.

31 **4-11A-03.**

32 (A) (1) **THE GENERAL ASSEMBLY DEFINES AQUACULTURE AS AN**
33 **AGRICULTURAL AND FISHERIES MANAGEMENT ACTIVITY.**

1 **(2) "AQUACULTURE" INCLUDES THE COMMERCIAL REARING OF**
2 **FINFISH, SHELLFISH, AND AQUATIC PLANTS FOR SALE, TRADE, BARTER, OR**
3 **SHIPMENT.**

4 **(B) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO CREATE:**

5 **(1) AN AQUACULTURE REVIEW BOARD AND AN AQUACULTURE**
6 **COORDINATING COUNCIL TO PROMOTE THE DEVELOPMENT OF AN**
7 **AQUACULTURE INDUSTRY IN THIS STATE; AND**

8 **(2) AN AQUACULTURE COORDINATOR, EMPLOYED BY THE**
9 **DEPARTMENT, TO ASSIST PERSONS IN OBTAINING THE PERMITS AND LICENSES**
10 **NECESSARY TO CONDUCT AQUACULTURE IN THE STATE.**

11 **(C) THE DEPARTMENT IS THE LEAD AGENCY FOR:**

12 **(1) PROMOTING, COORDINATING, AND MARKETING**
13 **AQUACULTURE AND AQUACULTURE PRODUCTS;**

14 **(2) COORDINATING AND STREAMLINING THE PROCESS OF**
15 **APPLYING FOR A STATE AQUACULTURE PERMIT; AND**

16 **(3) ENFORCING LAWS, REGULATIONS, AND RULES.**

17 **(D) THE UNIVERSITY OF MARYLAND IS THE LEAD AGENCY FOR**
18 **RESEARCH IN AQUACULTURE PRODUCTION AND SHALL BE RESPONSIBLE FOR**
19 **DEVELOPMENT OF EDUCATION AND EXTENSION PROGRAMS WHICH PROMOTE**
20 **AQUACULTURE AS AN INDUSTRY.**

21 **4-11A-03.1.**

22 **(A) THERE IS AN AQUACULTURE REVIEW BOARD.**

23 **(B) (1) THE REVIEW BOARD SHALL CONSIST OF THE FOLLOWING**
24 **MEMBERS, EACH OF WHOM SHALL REPRESENT ONE OF THE FOLLOWING STATE**
25 **DEPARTMENTS CHARGED WITH RESPONSIBILITY FOR AN ASPECT OF THE STATE**
26 **AQUACULTURE PERMITTING PROCESS OR OVERSIGHT OF PERMIT COMPLIANCE:**

27 **(i) THE DEPARTMENT OF NATURAL RESOURCES, TO BE**
28 **REPRESENTED BY THE AQUACULTURE COORDINATOR, WHO SHALL SERVE AS**
29 **CHAIR;**

1 **(II) ONE REPRESENTATIVE OF THE DEPARTMENT OF THE**
2 **ENVIRONMENT, DESIGNATED BY THE SECRETARY OF THE ENVIRONMENT;**

3 **(III) ONE REPRESENTATIVE OF THE DEPARTMENT OF**
4 **HEALTH AND MENTAL HYGIENE, DESIGNATED BY THE SECRETARY OF HEALTH**
5 **AND MENTAL HYGIENE; AND**

6 **(IV) ONE REPRESENTATIVE OF THE DEPARTMENT OF**
7 **AGRICULTURE, DESIGNATED BY THE SECRETARY OF AGRICULTURE.**

8 **(2) THE NATIONAL MARINE FISHERIES SERVICE SHALL BE**
9 **INVITED TO DESIGNATE A REPRESENTATIVE TO THE REVIEW BOARD.**

10 **(3) THE UNITED STATES ARMY CORPS OF ENGINEERS SHALL BE**
11 **INVITED TO DESIGNATE A REPRESENTATIVE TO THE REVIEW BOARD.**

12 **(C) (1) THE AQUACULTURE COORDINATOR SHALL BE THE SINGLE**
13 **POINT OF CONTACT FOR AN APPLICANT FOR ALL PERMITS AND LICENSES**
14 **NECESSARY TO CONDUCT AQUACULTURE IN THE STATE.**

15 **(2) THE REVIEW BOARD SHALL:**

16 **(i) COORDINATE THE DEVELOPMENT OF STATEWIDE**
17 **AQUACULTURE POLICY AND, TO THE MAXIMUM EXTENT FEASIBLE, THE**
18 **STREAMLINING OF THE APPLICATION PROCESS;**

19 **(ii) TRACK EACH APPLICATION AS IT IS PROCESSED; AND**

20 **(iii) ENSURE FULL AND MEANINGFUL DEPARTMENTAL**
21 **COMMUNICATION WITH AN APPLICANT DURING EACH STAGE OF THE**
22 **APPLICATION PROCESS.**

23 4-11A-06.

24 (b) (1) The Department may issue to a person a submerged land lease in
25 waters of the Chesapeake Bay [that meet applicable water quality requirements for
26 shellfish cultivation as determined by the Department of the Environment] **AFTER**
27 **THE DEPARTMENT OF THE ENVIRONMENT CLASSIFIES THE WATERS AS**
28 **APPROVED;**

29 **(i) APPROVED, CONDITIONALLY APPROVED, OR**
30 **RESTRICTED FOR HARVEST; OR**

1 **(ii) PROHIBITED, PROVIDED THAT THE LEASE IS USED**
 2 **EXCLUSIVELY FOR THE PLANTING AND GATHERING OF SEED FOR**
 3 **AQUACULTURE AND THE LEASEHOLDER COMPLIES WITH THE REQUIREMENTS**
 4 **OF THE NATIONAL SHELLFISH SANITATION PROGRAM AS IMPLEMENTED BY**
 5 **THE DEPARTMENT.**

6 (2) A submerged land lease may not be located:

7 (i) Within a minimum of 50 feet of shoreline or any pier without
 8 the written permission of the riparian owner at the time of initial application for the
 9 lease;

10 (ii) Within 150 feet of the public shellfish fishery or a registered
 11 pound net site;

12 (iii) Within 150 feet of an oyster sanctuary or oyster reserve;

13 (iv) Within 150 feet of a federal navigational channel;

14 (v) In any creek, cove, bay, or inlet less than 300 feet wide at its
 15 mouth at mean low tide; or

16 (vi) In an SAV Protection Zone.

17 4-11A-07.

18 (b) The Department may issue to a person a submerged land lease in waters
 19 of the Atlantic Coastal Bays [that meet applicable water quality requirements for
 20 shellfish cultivation as determined by the Department of the Environment] **AFTER**
 21 **THE DEPARTMENT OF THE ENVIRONMENT CLASSIFIES THE WATERS AS**
 22 **~~APPROVED~~**;

23 **(1) APPROVED, CONDITIONALLY APPROVED, OR RESTRICTED**
 24 **FOR HARVEST; OR**

25 **(2) PROHIBITED, PROVIDED THAT THE LEASE IS USED**
 26 **EXCLUSIVELY FOR THE PLANTING AND GATHERING OF SEED FOR**
 27 **AQUACULTURE AND THE LEASEHOLDER COMPLIES WITH THE REQUIREMENTS**
 28 **OF THE NATIONAL SHELLFISH SANITATION PROGRAM AS IMPLEMENTED BY**
 29 **THE DEPARTMENT.**

30 4-11A-08.

31 **(A) THIS SECTION APPLIES TO A WATER COLUMN LEASE IN THE WATERS**
 32 **OF THE STATE.**

1 (B) THE DEPARTMENT MAY ISSUE TO A PERSON A WATER COLUMN
 2 LEASE IN WATERS OF THE STATE AFTER THE DEPARTMENT OF THE
 3 ENVIRONMENT CLASSIFIES THE WATERS AS ~~APPROVED~~;

4 (1) APPROVED, CONDITIONALLY APPROVED, OR RESTRICTED
 5 FOR HARVEST; OR

6 (2) PROHIBITED, PROVIDED THAT THE LEASE IS USED
 7 EXCLUSIVELY FOR THE PLANTING AND GATHERING OF SEED FOR
 8 AQUACULTURE AND THE LEASEHOLDER COMPLIES WITH THE REQUIREMENTS
 9 OF THE NATIONAL SHELLFISH SANITATION PROGRAM AS IMPLEMENTED BY
 10 THE DEPARTMENT.

11 (C) (1) A WATER COLUMN LEASE MAY NOT BE LOCATED:

12 ~~(1)~~ (I) WITHIN A MINIMUM OF 50 FEET OF SHORELINE OR ANY
 13 PIER WITHOUT THE WRITTEN PERMISSION OF THE RIPARIAN OWNER AT THE
 14 TIME OF INITIAL APPLICATION FOR THE LEASE;

15 ~~(2)~~ (II) WITHIN 150 FEET OF THE PUBLIC SHELLFISH FISHERY
 16 OR A REGISTERED POUND NET SITE;

17 ~~(3)~~ (III) WITHIN 150 FEET OF AN OYSTER RESERVE OR ANY
 18 YATES BAR LOCATED IN AN OYSTER SANCTUARY;

19 ~~(4)~~ (IV) WITHIN 150 FEET OF A FEDERAL NAVIGATIONAL
 20 CHANNEL;

21 ~~(5)~~ (V) ~~IN~~ SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,
 22 IN ANY CREEK, COVE, BAY, OR INLET LESS THAN 300 FEET WIDE AT ITS MOUTH
 23 AT MEAN LOW TIDE;

24 ~~(6)~~ (VI) IN AN SAV PROTECTION ZONE; OR

25 ~~(7)~~ (VII) IN A SETBACK OR BUFFER FROM THE ASSATEAGUE
 26 ISLAND NATIONAL SEASHORE ESTABLISHED BY THE DEPARTMENT.

27 (2) THE PROVISIONS OF PARAGRAPH (1)(V) OF THIS SUBSECTION
 28 DO NOT APPLY TO THE RIPARIAN OWNER OR A LAWFUL OCCUPANT OF THE
 29 RIPARIAN PROPERTY.

30 (D) A PERSON WITH A WATER COLUMN LEASE IN THE WATERS OF THE
 31 STATE MAY CULTIVATE SHELLFISH:

1 **(1) SUBJECT TO APPROVAL BY THE UNITED STATES ARMY**
2 **CORPS OF ENGINEERS, ON OR UNDER THE SURFACE OF THE WATER IN A**
3 **FLOATING STRUCTURE; OR**

4 **(2) IN ANY OTHER MANNER AUTHORIZED BY THE DEPARTMENT.**

5 4-11A-09.

6 (a) (1) A person who wishes to obtain an aquaculture or submerged land
7 lease shall pay a nonrefundable application fee established by the Department and
8 complete and submit an application to the Department.

9 (2) A person who wishes to obtain a water column lease that does not
10 apply in an Aquaculture Enterprise Zone shall [apply for a tidal wetlands license from
11 the Department of the Environment] **COMPLETE AND SUBMIT AN APPLICATION TO**
12 **THE DEPARTMENT.**

13 (b) An application for an aquaculture **LEASE, WATER COLUMN LEASE,** or
14 submerged land lease shall include:

15 (1) A declaration that the applicant intends to actively use the leased
16 area for commercial purposes; and

17 (2) A proposed plan for active use of the lease that shall include:

18 (i) The lessee's source and quantity of shellfish seed;

19 (ii) The methods and means the applicant will use to grow
20 shellfish;

21 (iii) The quantity of shellfish that the lessee expects to plant and
22 harvest, and the time for planting and harvesting, during the initial 3 years of the
23 lease; and

24 (iv) A description of the labor, materials, and equipment to be
25 used by the lessee.

26 (c) The requirements for active use of a lease shall include:

27 (1) Annually planting at least one-fourth of the leased area at a
28 minimum density of 1,000,000 shellfish seed per acre; or

29 (2) Complying with any other requirements established by the
30 Department.

1 (d) (1) The term of a lease is 20 years.

2 (2) Except for a demonstration lease under [§ 4-11A-10] § 4-11A-11
3 of this subtitle, a lease may be of any size provided that the leaseholder actively uses
4 the area.

5 (3) The Department shall establish an annual amount of rent and an
6 aquaculture development surcharge for an aquaculture or submerged land lease.

7 (4) The Department, as it considers necessary to protect the public
8 health, safety, and welfare, may:

9 (i) Deny a lease application for reasonable cause; or

10 (ii) Include any conditions in a lease.

11 (e) If an application for an aquaculture lease meets the requirements of this
12 subtitle, the Department shall survey the leased area and issue a lease to the
13 applicant.

14 (f) If an application for a submerged land lease in an area preapproved for
15 leasing in the Atlantic Coastal Bays meets the requirements of this subtitle, the
16 Department shall survey the leased area and issue a submerged land lease to the
17 applicant.

18 (g) (1) If an application for a submerged land **OR WATER COLUMN** lease
19 in the Chesapeake Bay or in the Atlantic Coastal Bays meets the requirements of this
20 subtitle:

21 (i) The applicant for the lease shall mark the proposed area
22 with a stake; and

23 (ii) The Department shall:

24 1. Advertise the application on the website of the
25 Department and once a week for 4 successive weeks in a newspaper published in the
26 county or counties where the proposed lease is to be located;

27 2. Notify the owners of property directly in front of the
28 proposed activity; **[and]**

29 3. Notify **[the] EACH** Chair of **[the] AN** Oyster
30 Committee in the county in which the proposed activity is located; **AND**

31 4. **NOTIFY OTHER INTERESTED PARTIES THAT THE**
32 **DEPARTMENT DEEMS APPROPRIATE.**

1 (2) (i) Within 30 days of publication of the last advertisement
2 under paragraph (1) of this subsection, any person who has a specific right, duty,
3 privilege, or interest that is different from that held by the general public and may be
4 adversely affected by the proposed lease may file a petition with the Department
5 protesting the issuance of the lease.

6 (ii) The protest shall be heard in accordance with the
7 requirements of the Administrative Procedure Act under Title 10, Subtitle 2 of the
8 State Government Article.

9 (iii) The Department shall hold a public informational meeting
10 on the issuance of a lease on the request of any person.

11 (iv) Immediately after termination of the period prescribed in
12 subparagraph (i) of this paragraph for filing a petition or after a final decision
13 dismissing a protest, the Department shall survey the proposed leased area and issue
14 a [submerged land] lease to the applicant.

15 4-11A-10.

16 (e) (1) A person who wishes to renew [an aquaculture lease, a submerged
17 land lease,] **A LEASE ISSUED UNDER THIS SUBTITLE** or an existing shellfish lease or
18 oyster lease shall submit an application that meets the requirements for an initial
19 application in [~~§ 4-11A-08~~] ~~§ 4-11A-09~~ OR ~~§ 4-11A-11~~ of this subtitle.

20 (2) Before the termination or expiration of a lease issued under this
21 subtitle, the leaseholder shall have the right of first refusal with respect to future
22 leases of the leased area.

23 SECTION 4. AND BE IT FURTHER ENACTED, That all wetlands licenses,
24 water column leases, aquaculture leases, certifications, or other permits issued by the
25 Board of Public Works for aquaculture related projects and in effect as of June 30,
26 2011, shall remain in effect under the Department of Natural Resources until
27 completed, withdrawn, canceled, modified, or otherwise changed.

28 SECTION 5. AND BE IT FURTHER ENACTED, That any person who holds a
29 valid aquaculture or water column lease, or is licensed, permitted, or certified by the
30 Board of Public Works or the Department of the Environment to use the water column
31 for an aquaculture related project, is considered for all purposes to be a valid
32 aquaculture or water column leaseholder, or licensed, authorized, permitted, or
33 certified for the duration of the term for which the lease, license, authorization,
34 permit, or certification was issued, and may renew that authorization in accordance
35 with the appropriate renewal provisions provided by the Department of Natural
36 Resources. Any person who entered into a valid lease agreement, or was originally
37 licensed, authorized, permitted, or certified under a provision of law that has been
38 repealed by this Act as obsolete or inconsistent shall continue to meet the

1 requirements to the same extent as if that provision had not been repealed, or to the
2 extent required by the Department of Natural Resources.

3 SECTION 6. AND BE IT FURTHER ENACTED, That all applications for water
4 column leases and wetlands licenses for aquaculture related projects currently
5 pending before the Department of the Environment or the Board of Public Works as of
6 the effective date of this Act shall be and hereby are transferred to the Department of
7 Natural Resources for processing in accordance with its terms and procedures.

8 SECTION 7. AND BE IT FURTHER ENACTED, That the publishers of the
9 Annotated Code of Maryland, in consultation with and subject to the approval of the
10 Department of Legislative Services, shall correct, with no further action required by
11 the General Assembly, cross-references and terminology rendered incorrect by this
12 Act or by any other Act of the General Assembly of 2011 that affects provisions
13 enacted by this Act. The publishers shall adequately describe any such correction in an
14 editor's note following the section affected.

15 SECTION ~~7~~ 8. AND BE IT FURTHER ENACTED, That this Act shall take
16 effect July 1, 2011.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.